

**ANNUAL REPORT
OF THE
COMMISSION ON MILITARY AND
VETERANS AFFAIRS**



**Indiana Legislative Services Agency
200 W. Washington Street, Suite 301
Indianapolis, Indiana 46204**

November, 2001

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2001

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COMMISSION ON MILITARY AND VETERANS AFFAIRS

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Staff

**Peggy Piety
Attorney for the Committee**

**Robert Sigalow
Fiscal Analyst for the Committee**

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.state.in.us/legislative/>.

I. STATUTORY DIRECTIVE

The Indiana General Assembly enacted legislation (IC 2-5-20) directing the Commission to study the following:

- (1) Matters relating to veterans and veterans' affairs.
- (2) Matters relating to active and reserve members of the armed forces of the United States.
- (3) Other topics assigned by the Legislative Council.
- (4) Other topics as directed by the Commission's chair.

The Commission consists of twelve members: four Representatives, four Senators, and four lay members. The chairman of the Legislative Council appoints the chairman of the Commission.

II. INTRODUCTION AND REASONS FOR STUDY

The Legislative Council did not assign any specific study topics to the Commission in 2001. The Commission determined that it would review the following issues:

A. Military and Veterans Benefits Issues

Income Taxation of Military Income

The Commission heard testimony to decide whether the income tax deduction for military income, which has been set at \$2,000 since 1965, should be increased.

Tuition and Fees Remission

The Commission heard testimony to determine whether the tuition and fees remission, which applies to children of military personnel serving before July 1, 1999, should be extended to the children of military personnel who served after that date.

Support for Military Personnel

The Commission heard testimony to determine whether to recommend a resolution urging Hoosier employers to support fully their employees serving in the military.

Disabled Veterans' License Plates

The Commission heard testimony to determine whether to add a wheelchair logo to disabled veterans' license plates.

B. Educational Issues

Superintendent of the Indiana Soldiers' and Sailors' Children's Home

The Commission heard testimony to determine whether to eliminate the requirement that the superintendent of the home be an honorably discharged veteran.

Pledge of Allegiance in schools

The Commission considered whether to recommend a resolution urging public schools to incorporate the Pledge of Allegiance and Pledge ceremonies into their curriculum.

C. Other Military and Veterans Affairs Issues

Naming the new Indianapolis International Airport terminal for Weir Cook

The Commission heard testimony to determine whether it was appropriate to recommend a resolution that the new Indianapolis International Airport terminal be named for Weir Cook.

Terrorist Attacks

The Commission considered whether to recommend a resolution concerning the terrorist attacks of September 11, 2001.

III. SUMMARY OF WORK PROGRAM

The Commission met three times during the interim following the conclusion of the 2001 session of the General Assembly. All three meetings were held at the State House in Indianapolis.

At the first meeting, held on September 18, 2001, the Commission heard testimony concerning: (1) the income tax deduction for military income; (2) military recruiter access to high school students; (3) absentee ballots and voting procedures for military personnel; (4) the state veterans' cemetery fund; (5) civil immunity for volunteers; and (6) naming of the new Indianapolis International Airport terminal for Weir Cook.

At its second meeting, held on October 9, 2001, the Commission heard testimony concerning the following issues: (1) the remission of state educational institutions' tuition and fees; (2) the protection of the civilian jobs of those serving in the Indiana National Guard; (3) the qualifications of the superintendent of the Indiana Soldiers' and Sailors' Children's Home; (4) the income tax deduction for military income; (5) the state veterans' cemetery fund; (6) veterans' stand downs; and (7) employers' support for employees serving in the military.

At its third meeting, held on October 30, 2001, the Commission heard testimony concerning the following issues: (1) the qualifications of the superintendent of the Indiana Soldiers' and Sailors' Children's Home; (2) the Pledge of Allegiance in Indiana public schools; (3) the naming of part of the

new Indianapolis International Airport terminal complex for Weir Cook; (4) the addition of a wheelchair logo to disabled veterans' license plates; (5) the filing of Indiana income tax returns and other problems of military personnel on active duty; (6) construction at the state veterans' cemetery; and (7) absentee ballots, voter's registration, and other election issues of concern to military voters.

IV. SUMMARY OF TESTIMONY

A. Military and Veterans Benefits Issues

Income Taxation of Military Income

The Commission heard testimony from Stan Huseland of the Reserve Officers Association in favor of increasing the income tax deduction for military income from \$2,000 to \$6,000. The Commission heard testimony that the \$2,000 deduction has not changed since it was enacted in 1965, and that an increased deduction would benefit all Indiana residents receiving military pay or survivor benefits. In 1965, the deduction effectively exempted all military pay of part-time federal reservists and National Guard participants, except for the very highest ranking officers. Now it approximates only the earnings of a newly recruited private. The witness stated that ten states, including three states that border Indiana--Michigan, Illinois, and Kentucky--already exempt all military pay from state income tax.

Tuition and Fees Remission

William Jackson, Director of the Indiana Department of Veterans Affairs, testified in favor of extending the remission of state educational institutions' tuition and mandatory fees to the children of military personnel serving in any future conflict where a campaign or theater ribbon is issued. The witness testified that this benefit currently is available only to the children of military personnel who served before July 1, 1999.

Support for Military Personnel

The Commission heard testimony concerning the need to encourage employers to contribute to the war on terrorism by supporting their employees serving in the reserves or the National Guard. The testimony listed ways in which an employer might support its employees, such as making up the differential between an employee's civilian and military pay and continuing an employee's benefits while an employee is in the service.

State Veterans Cemetery Fund

The Commission heard testimony from William Jackson, Director of the Indiana Department of Veterans Affairs, proposing that the Indiana state veterans' cemetery fund be established as a dedicated fund. The Commission's staff reported that this proposal was incorporated into the 2001 budget bill (Sections 217 and 218 of P.L.291-2001) as an amendment to IC 10-5-25-9. Mr. Jackson also reported on the start of construction at the cemetery.

Protection of the Civilian Jobs of Those Serving in the National Guard

William Jackson, Director of the Indiana Department of Veterans Affairs, raised the issue as to whether those currently serving in the National Guard as the result of a call-up by the Governor had re-employment rights. Lt. Col. George Thompson of the Indiana National Guard testified that the current call-ups in Indiana are protected under the federal Uniformed Services Employment and Re-employment Rights Act (USERRA), and that two cases of employees who were fired upon call-up are under investigation by the federal Department of Labor as USERRA provides.

Veterans' Stand Downs

The Commission heard testimony from Matthew Schomburg, the Wayne Township Trustee in Allen County, Indiana, concerning the problems of homeless veterans and the history of veterans' stand downs. The witness provided information about the services available at a veterans' stand down to be held in Fort Wayne on October 26, 2001, including free flu shots, free testing for various health conditions, free personal hygiene items, winter clothing, and blankets, and free haircuts.

Absentee Ballots and Voting Procedures for the Military

Joe Ryan of The Retired Officers Association described to the Commission his work with the Governor's Task Force on Election Integrity, which is studying two areas of concern that apply to military absentee voting. The first area is the county reject rate for absentee ballots received from overseas military voters. The rate ranged from 0% to 64%, with an average of 12.9%. The witness urged equitable treatment by counties of absentee ballots from military voters and requested audits of county ballot rejections. The second area concerns the notification of military absentee voters when their absentee ballot is rejected. Mr. Ryan pointed out that a person voting in person normally knows whether his or her vote has been accepted, and in the case of absentee ballots, Indiana law requires non-military absentee voters to be notified when, and told the reason why, an absentee ballot is not accepted. The witness suggested that military absentee voters receive the same information. The witness also suggested to the Commission that the state provide candidate information to out-of-state military voters. He noted that other states provide such information to military absentee voters.

Mr. Ryan summarized the Task Force's final recommendations that address the concerns of the military voter.

Civil Immunity for Volunteers

Harold Henneke of the Indiana State Air Force Association testified in support of a proposal to provide volunteer immunity from civil liability. The witness told the Commission that this proposal should be important to the Commission because large numbers of military personnel and retirees serve as volunteers in Indiana. He outlined past efforts by members of the Indiana Military and Veterans Coalition and others to have a volunteer immunity bill heard in the Indiana House Judiciary Committee.

Disabled Veterans' License Plates

William Jackson, Director of the Indiana Department of Veterans Affairs, testified in support of an amendment to the Indiana Code to add a wheelchair logo to disabled veterans' (DAV) license plates. He

provided examples of confusion, including the ticketing of vehicles with DAV plates parked in handicapped spaces, because the plates currently do not include the wheelchair symbol.

B. Educational Issues

Superintendent of the Indiana Soldiers' and Sailors' Children's Home

The Commission heard testimony that the state health commissioner is having difficulty hiring a superintendent for the Indiana Soldiers' and Sailors' Children's Home, because Indiana law requires the superintendent to be an honorably discharged veteran of the United States armed forces. William Jackson, Director of the Indiana Department of Veterans Affairs, proposed to the Commission eliminating the requirement that the home's superintendent be a veteran and establishing a veteran's preference when at least two applicants for the superintendent's position otherwise have equal qualifications. The witness reported that the American Legion supports the change.

Pledge of Allegiance in schools

Commission member Terry Smith urged the Commission to consider adopting a resolution to encourage all public schools in Indiana to teach the Pledge of Allegiance and to conduct Pledge ceremonies each school day. Donald Peek of the Disabled American Veterans testified in support of legislation mandating the schools to conduct Pledge ceremonies.

Military recruiter access to high school students

Joe Ryan of The Retired Officers Association reported to the Commission that 100% of Indiana's public high schools have complied with the requirements of SB 224 (P.L.81-2000) that amended I.C.20-10.1-29 concerning military recruiter access to high school students.

C. Other Military and Veterans Affairs Issues

Naming the new Indianapolis International Airport terminal for Weir Cook

The Commission considered recommending a resolution urging that the new midfield terminal at the Indianapolis International Airport be named for Weir Cook. Joe Duray, Chairman of the Indiana Military and Veterans Coalition, testified in support of the resolution and recounted Weir Cook's history as a pilot in World War I and World War II. Commission member James Atterholt reported on the Indianapolis Airport Authority's request for flexibility in the naming of some part of the new terminal complex for Mr. Cook.

Terrorist Attacks

Commission member Representative James Atterholt suggested that the Commission consider recommending a resolution concerning the terrorist attacks against the United States on September 11, 2001. He offered a resolution adopted by the United States Senate and House of Representatives (H.J.Res.61) as a model for the resolution.

V. COMMITTEE FINDINGS AND RECOMMENDATIONS

The Commission made the following recommendations:

- (1) The Commission by a vote of 7-0 recommended the introduction of PD 3206 which would amend IC 6-3-2-4 to increase from \$2,000 to \$6,000 the state income tax deduction for military income.
- (2) The Commission by a vote of 7-0 recommended the introduction of a resolution concerning the terrorist attacks launched against the United States on September 11, 2001.
- (3) The Commission by a vote of 8-0 recommended the introduction of PD 3411 which would amend IC 20-12-19-1 to allow the children of any person who served in the armed forces after July 1, 1999, during a war or other hazardous duty to attend a state educational institution without the payment of tuition or mandatory fees.
- (4) The Commission by a vote of 8-0 recommended the introduction of PD 3414 which would amend IC 16-33-4-7 to: (1) eliminate the requirement that the superintendent of the Indiana Soldiers' and Sailors' Home be an honorably discharged veteran; and (2) establish a veteran's preference when at least two applicants otherwise meet the requirements for appointment.
- (5) The Commission by a vote of 8-0 recommended the introduction of a resolution urging the Indianapolis Airport Authority to name its new terminal or part of the new airport complex for Weir Cook.
- (6) The Commission by a vote of 8-0 recommended the introduction of a resolution urging Hoosier employers to support their employees serving in the reserves or the National Guard.
- (7) The Commission by a vote of 8-0 recommended the introduction of a resolution encouraging Indiana public schools to teach the Pledge of Allegiance and to conduct Pledge ceremonies each school day.
- (8) The Commission by a vote of 8-0 recommended that legislation be prepared for introduction that would add the wheelchair logo to disabled veterans' license plates.
- (9) The Commission adopted its final report by a vote of 8-0.

WITNESS LIST

September 18, 2001

Stan Huseland, Reserve Officers Association
Joe Ryan, The Retired Officers Association
William Jackson, Director of the Indiana Department of Veterans Affairs
Harold Henneke, Indiana State Air Force Association
Joe Duray, Chairman of the Indiana Military and Veterans Coalition
Phil Conklin, Retired Indiana Public Employees Association

October 9, 2001

William Jackson, Director of the Indiana Department of Veterans Affairs
Lt. Col. George Thompson, Indiana National Guard
Matthew Schomburg, Wayne Township Trustee, Allen County, Indiana (Fort Wayne)
Joe Duray, Chairman of the Indiana Military and Veterans Coalition

October 30, 2001

William Jackson, Director of the Indiana Department of Veterans Affairs
Donald Peek, Disabled American Veterans
Joe Ryan, The Retired Officers Association
Joe Duray, Chairman of the Indiana Military and Veterans Coalition